

EXHIBIT C

COMPENSATION BY PROFESSIONAL

<u>NAME, DEPARTMENT AND LOCATION</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
Carolyn H. Rosenberg, Litigation – Insurance Recovery, Chicago	1982	\$725.00	193.6	\$140,360.00
Mark S. Hersh, Litigation – Insurance Recovery, Chicago	1983	\$580.00	185.2	\$107,416.00
Andrew J. Moss, Litigation – Insurance Recovery, Chicago	1999	\$500.00	233.9	\$116,950.00
Total Partners:			612.7	\$364,726.00
<u>ASSOCIATES</u>				
Nicole K. Sullivan, Financial Industry, New York	2009	\$350.00	5.6	\$1,960.00
Ann E. Pille, Financial Industry, Chicago	2004	\$390.00	1.8	\$702.00
Aaron Z. Bourke, Financial Industry, New York	2009	\$240.00	17.7	\$4,248.00
Clinton M. Crosier, Insurance Recovery, Chicago	2009	\$240.00	20.4	\$4,896.00
Total Associates:			45.5	\$11,806.00
<u>PARAPROFESSIONALS</u>				
Jane Ann Conway Gross, Litigation – Insurance Recovery, Chicago	n/a	\$250.00	125.5	\$31,375.00
Elizabeth Anne Arundel, Financial Industry, Chicago	n/a	\$240.00	18.1	\$4,344.00
Amanda Leonard, Business and Finance, New York	n/a	\$220.00	1.0	\$220.00
Silvia Somoza, Insurance Recovery, Chicago	n/a	\$130.00	29.7	\$3,861.00
Natalia J. Lipscomb – Commercial Litigation, Chicago	n/a	\$100.00	18.7	\$1,870.00
Total Paraprofessionals:			193.0	\$41,670.00
Blended Hourly Rate				\$491.31
Totals:				\$418,202.00

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
0100 General Case Administration	3.7	\$721.00
1300 Insurance Coverage and Insurance Matters	767.8	\$383,442.00
4600 Firm's Own Billing/Fee Applications	40.2	\$18,077.50
4700 Firm's Own Retention Issues	39.5	\$15,962.00
TOTAL	851.2	\$418,202.00

EXPENSE SUMMARY

Expense Category	June	July	Aug.	Sept.	Oct.	Nov.	Total
Outside Database, Pacer	\$0.00	\$0.00	\$0.00	\$13.44	\$0.00	\$10.72	\$24.16
Legal Research, Westlaw/Lexis	\$0.00	\$9.84	\$0.00	\$150.70	\$0.00	\$22.25	\$182.79
Outside Duplicating	\$0.00	\$0.00	\$1,357.09	\$0.00	\$0.00	\$0.00	\$1,357.09
Lodging Expense	\$0.00	\$0.00	\$0.00	\$1,153.08	\$0.00	\$0.00	\$1,153.08
Parking/Tolls/Other Transportation	\$0.00	\$0.00	\$0.00	\$28.00	\$0.00	\$0.00	\$28.00
Air Travel Expense	\$0.00	\$270.40	\$508.80	\$467.40	\$0.00	\$0.00	\$1,246.60
Telephone Expense	\$0.00	\$8.22	\$0.00	\$0.00	\$0.00	\$0.00	\$8.22
Taxi Expense	\$0.00	\$218.00	\$0.00	\$383.00	\$0.00	\$0.00	\$601.00
Mileage Expense	\$0.00	\$0.00	\$0.00	\$20.00	\$0.00	\$0.00	\$20.00
Courier Service	\$0.00	\$9.61	\$0.00	\$193.09	\$0.00	\$8.69	\$211.39
Total Disbursements	\$0.00	\$516.07	\$1,865.89	\$2,408.71	\$0.00	\$41.66	\$4,832.33

Carolyn H. Rosenberg
REED SMITH LLP
10 S. Wacker Drive
Suite 4000
Chicago, IL 60606
Telephone: (312) 207-1000
Facsimile: (312) 207-6400

*Special Counsel for Lehman Brothers Holdings, Inc.
and its affiliated Debtors and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

-----X
:
In re : Chapter 11
:
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : Case No. 08-13555 (JMP)
:
Debtors : (Jointly Administered)
:
-----X

**FIRST MONTHLY STATEMENT OF SERVICES RENDERED
AND EXPENSES INCURRED BY REED SMITH LLP, AS SPECIAL
INSURANCE COVERAGE COUNSEL TO THE DEBTORS FOR
THE PERIOD JUNE 1, 2010 THROUGH SEPTEMBER 30, 2010**

Name of Applicant:	<u>Reed Smith LLP</u>
Authorized to Provide Professional Services to:	<u>The Debtors and Debtors in Possession</u>
Date of Retention:	<u>June 1, 2010, <i>nunc pro tunc</i></u>
Period for which compensation and reimbursement is sought:	<u>June 1, 2010 through September 30, 2010</u>
Amount of Compensation sought as actual, reasonable and necessary:	<u>\$252,809.00</u>
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	<u>\$4,790.14</u>
This is a:	<u>Monthly Fee Statement</u>

COMPENSATION BY PROFESSIONAL

<u>NAME, DEPARTMENT AND LOCATION</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
Carolyn H. Rosenberg, Litigation – Insurance Recovery, Chicago	1982	725.00	112.8	\$81,780.00
Mark S. Hersh, Litigation – Insurance Recovery, Chicago	1983	580.00	109.4	\$63,452.00
J. Andrew Moss, Litigation – Insurance Recovery, Chicago	1999	500.00	154.8	\$77,400.00
Total Partners:			377.0	\$222,632.00
<u>ASSOCIATES</u>				
Nicole. K. Sullivan, Financial Industry, New York	2009	350.00	5.6	\$1,960.00
Ann. E. Pille, Financial Industry, Chicago	2004	390.00	1.8	\$702.00
Aaron Z. Bourke, Financial Industry, New York	2009	240.00	17.7	\$4,248.00
Clinton M. Crosier, Litigation – Insurance Recovery, Chicago	2009	240.00	20.4	\$4,896.00
Total Associates:			45.5	\$11,806.00
<u>PARAPROFESSIONALS</u>				
Jane Ann Conway Gross, Litigation – Insurance Recovery, Chicago	n/a	250.00	54.2	\$13,550.00
Elizabeth Anne Arundel, Financial Industry, Chicago	n/a	240.00	1.0	\$240.00
Silvia Somoza, Litigation – Insurance Recovery, Chicago	n/a	130.00	29.7	\$3,861.00
Amanda Leonard Practice Group Specialist	n/a	220.00	1.0	\$220.00
Natalia J. Lipscomb – Commercial Litigation, Chicago	n/a	100.00	5.0	\$500.00
Total Paraprofessionals:			90.9	\$18,371.00
			Blended Hourly Rate	\$492.42
Totals:			513.40	\$252,809.00

COMPENSATION BY PROFESSIONAL BY MONTH

Professional	June	July	August	Sept.	Total Hours	Rate	Amount
Carolyn H. Rosenberg	9.1	33.7	25.1	44.9	112.8	725	\$81,780.00
Mark S. Hersh	0.0	22.8	30.4	56.2	109.4	580	\$63,452.00
J. Andrew Moss	0.0	29.3	46.9	78.6	154.8	500	\$77,400.00
Nicole. K. Sullivan	5.0	0.0	0.6	0.0	5.6	350	\$1,960.00
Ann. E. Pille	0.0	0.0	1.8	0.0	1.8	390	\$702.00
Aaron Z. Bourke	15.5	2.2	0.0	0.0	17.7	240	\$4,248.00
Clint M. Crosier	0.0	0.0	20.4	0.0	20.4	240	\$4,896.00
Jane Ann Conway Gross	0.0	0.0	22.4	31.8	54.2	250	\$13,550.00
Elizabeth Anne Arundel	0.0	0.0	1.0	0.0	1.0	240	\$240.00
Silvia Somoza,	0.0	0.0	2.1	27.6	29.7	130	\$3,861.00
Amanda Leonard	1.0	0.0	0.0	0.0	1.0	220	\$220.00
Natalia J. Lipscomb	0.0	0.0	0.0	5.0	5.0	100	\$500.00
						Blended Rate	\$492.42
						Total Hours:	513.4
						Total Amount:	\$252,809.00

TOTAL COMPENSATION BY MONTH

Category	June	July	August	September	Total
Total Fees	\$12,287.50	\$52,834.50	\$71,200.50	\$116,486.50	\$252,809.00
Total Disbursements	\$0.00	\$516.07	\$1,357.09	\$2,916.98	\$4,790.14
Monthly Invoice Totals	\$12,287.50	\$53,350.57	\$72,557.59	\$119,403.48	\$257,599.14

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
0100 – General Case Administration	3.7	\$721.00
1300 – Insurance Coverage and Insurance Matters	466.2	\$233,927.50
4600 – Firm’s Own Billing/Fee Applications	4.0	\$2,198.50
4700 – Firm’s Own Retention Issues	39.5	\$15,962.00
TOTAL	513.4	\$252,800.50

EXPENSE SUMMARY

Expense Category	June	July	August	Sept.	Total Expenses
Outside Database, Pacer	\$0.00	\$0.00	\$0.00	\$13.44	\$13.44
Legal Research, Westlaw/Lexis	\$0.00	\$9.84	\$0.00	\$150.70	\$160.54
Outside Duplicating	\$0.00	\$0.00	\$1,357.09	\$0.00	\$1,357.09
Lodging Expense	\$0.00	\$0.00	\$0.00	\$1,153.08	\$1,153.08
Parking/Tolls/Other Transportation	\$0.00	\$0.00	\$0.00	\$28.00	\$28.00
Air Travel Expense	\$0.00	\$270.40	\$508.80	\$467.40	\$1,246.60
Telephone Expense	\$0.00	\$8.22	\$0.00	\$0.00	\$8.22
Taxi Expense	\$0.00	\$218.00	\$0.00	\$383.00	\$601.00
Mileage Expense	\$0.00	\$0.00	\$0.00	\$20.00	\$20.00
Meal Expense	\$0.00	\$9.61	\$0.00	\$193.09	\$202.70
Total Disbursements	\$0.00	\$516.07	\$1,865.89	\$2,408.71	\$4,790.67

Carolyn H. Rosenberg
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10 S. Wacker Drive
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Telephone: (312) 207-1000
Facsimile: (312) 207-6400

*Special Counsel for Lehman Brothers Holdings, Inc.
and its affiliated Debtors and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : Case No. 08-13555 (JMP)
Debtors : (Jointly Administered)
-----X

**FIRST MONTHLY STATEMENT OF SERVICES RENDERED
AND EXPENSES INCURRED BY REED SMITH LLP, AS
SPECIAL INSURANCE COVERAGE COUNSEL TO THE DEBTORS
FOR THE PERIOD JUNE 1, 2010 THROUGH SEPTEMBER 30, 2010**

In accordance with this Court's Order, Pursuant To Sections 105(A) And 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 1388] (the "Compensation Order"), Reed Smith LLP ("Reed Smith") hereby submits this First Statement of Services Rendered and Expenses Incurred by Reed Smith LLP, as Special Insurance Counsel to the Debtors for the period June 1, 2010 through September 30, 2010, (the "Statement Period").¹

¹ The Order approving the Debtors' employment of Reed Smith was entered on July 21, 2010 [Docket No. 10343]. On August 16, 2010, a Stipulation Amending The Effective Date of the Employment of Reed Smith LLP as Special Counsel to the Debtors *Nunc Pro Tunc* to June 1, 2010 (the "Stipulation") was presented. The Court entered the Stipulation on September 21, 2010 [Docket No. 11499], and accordingly the effective date of Reed Smith's

Continued on following page

Itemization of Services Rendered and Disbursements Incurred

1. Attached hereto as Exhibit A is a summary of the services rendered by Reed Smith for which compensation is sought, by project category.
2. Attached hereto as Exhibit B is a listing of Reed Smith professionals and paraprofessionals, including the standard hourly rate for each attorney and paraprofessional² (collectively, the “Reed Smith Professionals”), who rendered services to the Debtors in connection with these chapter 11 cases during the Statement Period and the title, hourly rate, aggregate hours worked and the amount of fees earned by each Reed Smith Professional. The blended hourly billing rate of all professionals and paraprofessionals for all services during the Statement Period is \$492.42.
3. Attached hereto as Exhibit C is a summary of the types of expenses for which reimbursement is sought.
4. Attached hereto as Exhibit D are the time records of Reed Smith, which provide a daily summary of the time spent by each Reed Smith Professional during the Statement Period³ by project category, as well as a detailed itemization of expenses for which reimbursement is sought.

Continued from previous page

employment was amended *nunc pro tunc* to June 1, 2010. Due to the timing of the filing of, objection period for and subsequent entry of the Stipulation on September 21, 2010, Reed Smith was unable to submit its First Monthly Statement until after September 30, 2010. Accordingly, the Statement Period for this First Monthly Statement includes fees, costs and expenses incurred for each of the three months—June, July and August—prior to September 1, 2010. Future Monthly Statements will be limited to fees, costs and expenses incurred during the preceding month.

² Paraprofessionals include paralegals, legal support personnel, project assistants and staff members.

³ Separate invoices for the months of June, July, August and September 2010 are attached.

Total Fees and Expenses Sought for the Statement Period

6. The total amounts sought for fees for professional services rendered and reimbursement of expenses incurred for the Statement Period are as follows:

Total Fees:	\$252,809.00
Total Disbursements:	\$4,790.14
Total:	\$257,599.14

7. Pursuant to the Compensation Order, Reed Smith at this time seeks payment of \$207,037.34 from the Debtors for the Statement Period, representing (a) 80% of Reed Smith's total fees for services rendered and (b) 100% of the total disbursements incurred. Reed Smith will seek payment of the remaining amount pursuant to interim or final fee applications that will be filed with the Court at a later date.

Notice and Objection Procedures

8. In accordance with the Compensation Order, notice of the Statement has been served upon the following parties (collectively, as further defined in the Compensation Order, the "Notice Parties"): (i) Lehman Brothers Holdings Inc., 1271 Avenue of the Americas, 45th Floor, New York, New York, 10020 (Attn: John Suckow and David Coles); (ii) Weil, Gotshal & Manges, LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Shai Y. Waisman, Esq.); (iii) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq.), attorneys for the Creditors' Committee; (iv) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 22nd Floor, New York, New York 10004 (Attn: Andy Velez-Rivera, Esq. and Tracy Hope Davis, Esq.).

9. Pursuant to the Compensation Order, objections to this Statement, if any, must be served upon the Notice Parties and the undersigned counsel for the Debtors, no later than

November 15, 2010 (the "Objection Deadline"), setting forth the nature of the objection and the specific amount of fees or expenses at issue.

10. If no objections to the Statement are received on or before the Objection Deadline, the Debtors will pay to Reed Smith 80% of the fees and 100% of the expenses identified in the Statement.

11. To the extent an objection to the Statement is received on or before the Objection Deadline, the Debtors will withhold payment of that portion of the Statement to which the objection is directed and will promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing.

Dated: October 28, 2010
Chicago, Illinois

Respectfully submitted,

REED SMITH LLP

By: 

Carolyn Rosenberg
10 S. Wacker Drive
Suite 4000

Chicago, IL 60606

Telephone: (312) 207-1000

Facsimile: (312) 207-6400

*Special Counsel for Lehman Brothers
Holdings, Inc. and its affiliated Debtors
and Debtors in Possession*

EXHIBIT A

COMPENSATION BY PROJECT CATEGORY

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TOTAL	513.4	\$252,800.50

EXHIBIT B

COMPENSATION BY PROFESSIONAL

<u>NAME, DEPARTMENT AND LOCATION</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
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Total Paraprofessionals:			90.9	\$18,371.00
			Blended Hourly Rate	\$492.42
Totals:			513.40	\$252,809.00

COMPENSATION BY PROFESSIONAL BY MONTH

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J. Andrew Moss	0.0	29.3	46.9	78.6	154.8	500	\$77,400.00
Nicole. K. Sullivan	5.0	0.0	0.6	0.0	5.6	350	\$1,960.00
Ann. E. Pille	0.0	0.0	1.8	0.0	1.8	390	\$702.00
Aaron Z. Bourke	15.5	2.2	0.00	0.0	17.7	240	\$4,248.00
Clint M. Crosier	0.0	0.0	20.4	0.0	20.4	240	\$4,896.00
Jane Ann Conway Gross	0.0	0.0	22.4	31.8	54.2	250	\$13,550.00
Elizabeth Anne Arundel	0.0	0.0	1.0	0.00	1.0	240	\$240.00
Silvia Somoza,	0.0	0.0	2.1	27.6	29.7	130	\$3,861.00
Amanda Leonard	1.0	0.0	0.0	0.0	1.0	220	\$220.00
Natalia J. Lipscomb	0.0	0.0	0.0	5.0	5.0	100	\$500.00
						Blended Rate	\$492.42
						Total Hours:	513.4
						Total:	\$252,809.00

TOTAL COMPENSATION BY MONTH

Category	June	July	August	September	Total
Total Fees	\$12,287.50	\$52,834.50	\$71,200.50	\$116,486.50	\$252,809.00
Total Disbursements	\$0.00	\$516.07	\$1,357.09	\$2,908.98	\$4,782.14
Monthly Invoice Totals	\$12,287.50	\$53,350.57	\$72,557.59	\$119,395.48	\$257,591.14

EXHIBIT C

EXPENSE SUMMARY

Expense Category	June	July	August	September	Total Expenses
Outside Database, Pacer	\$0.00	\$9.84	\$0.00	\$13.44	\$23.28
Legal Research, Westlaw/Lexis	\$0.00	\$0.00	\$0.00	\$150.70	\$150.70
Outside Duplicating	\$0.00	\$0.00	\$1,357.09	\$0.00	\$1,357.09
Lodging Expense	\$0.00	\$0.00	\$0.00	\$1,153.08	\$1,153.08
Parking/Tolls/Other Transportation	\$0.00	\$0.00	\$0.00	\$28.00	\$28.00
Air Travel Expense	\$0.00	\$270.40	\$0.00	\$968.20	\$1,238.60
Telephone Expense	\$0.00	\$8.22	\$0.00	\$0.00	\$8.22
Taxi Expense	\$0.00	\$218.00	\$0.00	\$382.47	\$600.47
Mileage Expense	\$0.00	\$0.00	\$0.00	\$20.00	\$20.00
Meal Expense	\$0.00	\$9.61	\$0.00	\$193.09	\$202.70
Total Disbursements	\$0.00	\$516.07	\$1,357.09	\$2,908.98	\$4,782.14

EXHIBIT D

ReedSmith

10 South Wacker Drive, 40th Floor
Chicago, IL 60606-7507
Telephone: 312-207-1000
Fax: 312-207-6400
Tax ID # 25-0749630

NEW YORK ♦ LONDON ♦ HONG KONG ♦ CHICAGO ♦ WASHINGTON, D.C. ♦ BEIJING ♦ PARIS ♦ LOS ANGELES ♦ SAN FRANCISCO ♦ PHILADELPHIA ♦ PITTSBURGH ♦
OAKLAND ♦ MUNICH ♦ ABU DHABI ♦ PRINCETON ♦ NORTHERN VIRGINIA ♦ WILMINGTON ♦ SILICON VALLEY ♦ DUBAI ♦ CENTURY CITY ♦ RICHMOND ♦ GREECE

Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: **2056890**
Invoice Date: **10/28/2010**
Client Number: **330015**
Matter Number: **00001**

RE: Chapter 11 Special Insurance Coverage Counsel 6/1/2010 through 6/30/2010

INVOICE SUMMARY

Total Current Fees..... \$ 12,287.50

Total Due This Invoice: \$ \$12,287.50

Please Remit to:

Mail To:
Reed Smith LLP
2672 Paysphere Circle
Chicago, IL 60674

Wire Instructions:
Bank of America, N.A.
Chicago, IL
ABA Number: 0260-0959-3
Swift Code: BOFAUS3N (International)
Account #5201742490
(Please Reference Invoice Number)



10 South Wacker Drive, 40th Floor
Chicago, IL 60606-7507
Telephone: 312-207-1000
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Tax ID # 25-0749630

NEW YORK ♦ LONDON ♦ HONG KONG ♦ CHICAGO ♦ WASHINGTON, D.C. ♦ BEIJING ♦ PARIS ♦ LOS ANGELES ♦ SAN FRANCISCO ♦ PHILADELPHIA ♦ PITTSBURGH ♦
OAKLAND ♦ MUNICH ♦ ABU DHABI ♦ PRINCETON ♦ NORTHERN VIRGINIA ♦ WILMINGTON ♦ SILICON VALLEY ♦ DUBAI ♦ CENTURY CITY ♦ RICHMOND ♦ GREECE

Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: **2056890**
Invoice Date: **10/28/2010**
Client Number: **330015**
Matter Number: **00001**

RE: Chapter 11 Special Insurance Coverage Counsel

DETAIL FOR PROFESSIONAL SERVICES RENDERED THROUGH June 30, 2010

Date	Timekeeper	Description	Task	Hours	Amount
06/01/10	C.H. Rosenberg	Communication with E. Witt regarding Lehman representation to prepare materials for initial retention application.	4700	0.50	362.50
06/02/10	C.H. Rosenberg	Communication with M. Solinger on Lehman coverage matters.	4700	0.20	145.00
06/07/10	C.H. Rosenberg	Revised schedules for retention application.	4700	1.00	725.00
06/08/10	C.H. Rosenberg	Further revised retention Application and Declaration.	4700	1.00	725.00
06/09/10	C.H. Rosenberg	Communication with N. O'Sullivan on preparation of special counsel application (.30); communication with E. Witt regarding schedules for application (.10).	4700	0.40	290.00
06/09/10	N.K. O'Sullivan	Review Application of the Debtors to Retain Reed Smith as Special Counsel and accompanying Declaration of Carolyn Rosenberg.	4700	1.20	420.00
06/10/10	A.L. Leonard	Research information for retention application as per A. Bourke	4700	0.80	176.00
06/10/10	C.H. Rosenberg	Worked on petition for special counsel Application and affidavit and supporting schedules.	4700	2.00	1,450.00

ReedSmith

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Chicago, IL 60606-7507
Telephone: 312-207-1000
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Tax ID # 25-0749630

NEW YORK ♦ LONDON ♦ HONG KONG ♦ CHICAGO ♦ WASHINGTON, D.C. ♦ BEIJING ♦ PARIS ♦ LOS ANGELES ♦ SAN FRANCISCO ♦ PHILADELPHIA ♦ PITTSBURGH ♦
OAKLAND ♦ MUNICH ♦ ABU DHABI ♦ PRINCETON ♦ NORTHERN VIRGINIA ♦ WILMINGTON ♦ SILICON VALLEY ♦ DUBAI ♦ CENTURY CITY ♦ RICHMOND ♦ GREECE

Date	Timekeeper	Description	Task	Hours	Amount
06/10/10	N.K. O'Sullivan	Review Application of the Debtors to Retain Reed Smith as Special Counsel and accompanying Declaration of Carolyn Rosenberg.	4700	2.60	910.00
06/10/10	A. Bourke	Conference with N. O'Sullivan to discuss application for retention as special counsel.	4700	0.40	96.00
06/10/10	A. Bourke	Reviewed background materials and drafted application for retention as special counsel.	4700	3.40	816.00
06/10/10	A. Bourke	Communications with Carolyn Rosenberg requesting summary of Reed Smith's qualifications for the proposed representation and a description of the services to be provided.	4700	0.30	72.00
06/10/10	A. Bourke	Finish drafting Declaration of Carolyn Rosenberg for application for retention as special counsel.	4700	0.40	96.00
06/10/10	A. Bourke	Draft application for retention as special counsel.	4700	1.50	360.00
06/10/10	A. Bourke	Draft proposed order for retention as special counsel.	4700	0.80	192.00
06/10/10	A. Bourke	Analyzed information regarding conflicts searches from E. Witt and use data to create schedules to the application for retention as special counsel.	4700	1.00	240.00
06/10/10	A. Bourke	Reviewed/revised application for retention as special counsel in its entirety.	4700	1.60	384.00
06/10/10	A. Bourke	Correspondence with N. O'Sullivan regarding review of application for retention as special counsel with	4700	0.40	96.00

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Date	Timekeeper	Description	Task	Hours	Amount
		notes/summary to Nicole O'Sullivan for review.			
06/10/10	A. Bourke	Draft email to Carolyn Rosenberg and send draft of complete application for retention as special counsel.	4700	0.30	72.00
06/10/10	A. Bourke	Make final edits to draft application for retention as special counsel based on comments received.	4700	0.60	144.00
06/11/10	A.L. Leonard	Research firm information for retention application	4700	0.20	44.00
06/11/10	C.H. Rosenberg	Reviewed draft motion for retention, affidavit and schedules (.5); communications with A. Moss on draft motion, affidavit, schedules and attachments (.3); communications with A. Bourke on draft and revisions and comments (.2); reviewed revised drafts of debtor's application, notice of presentment, declarations, and three schedules and proposed order (.5); communications with A. Bourke (.2); reviewed additional revisions (.3).	4700	2.00	1,450.00
06/11/10	N.K. O'Sullivan	Review, analyze and comment on draft Application of the Debtors to Retain Reed Smith as Special Counsel and accompanying Declaration of Carolyn Rosenberg.	4700	1.20	420.00
06/11/10	A. Bourke	Implement comments to application for retention as special counsel and proofread.	4700	2.90	696.00
06/12/10	C.H. Rosenberg	Revised draft application and attachments.	4700	0.50	362.50

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Date	Timekeeper	Description	Task	Hours	Amount
06/14/10	A. Bourke	Reviewed appropriate language in application for retention regarding irreconcilable conflicts of interest.	4700	0.40	96.00
06/15/10	C.H. Rosenberg	Reviewed Weil Gotshal's comments on draft application (.30); communication with A. Bourke on draft and additional revisions (.20); reviewed revised draft application for retention (.10).	4700	0.60	435.00
06/15/10	A. Bourke	Correspondence with C. Rosenberg and A. Moss regarding adding additional terms to application for retention as special counsel	4700	0.50	120.00
06/15/10	A. Bourke	Add additional term to application for retention as special counsel.	4700	0.10	24.00
06/15/10	A. Bourke	Revised application for retention as special counsel.	4700	0.40	96.00
06/15/10	A. Bourke	Email to Carolyn Rosenberg regarding final edits to the application for retention as special counsel.	4700	0.10	24.00
06/15/10	A. Bourke	Accept Debtor's bankruptcy edits to application for retention as special counsel, reformat and send to Carolyn Rosenberg.	4700	0.40	96.00
06/16/10	C.H. Rosenberg	Further revised draft Application and communication with R. Krasnow (.30); reviewed communication with C. Arthur (.10); communication with M. Solinger (.10).	4700	0.50	362.50
06/21/10	C.H. Rosenberg	Reviewed additional communication with Debtors bankruptcy counsel and M. Solinger on draft Application and	4700	0.10	72.50



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Date	Timekeeper	Description	Task	Hours	Amount
		Declaration.			
06/22/10	C.H. Rosenberg	Communication with Debtors bankruptcy counsel and M. Solinger regarding filing and presentment of application.	4700	0.30	217.50
Total Fees				30.60	\$12,287.50

SUMMARY OF PROFESSIONAL SERVICES:

Timekeeper	Title		Total
A. Bourke	Associate	15.50 hrs @ \$ 240.00 / hr	3,720.00
A.L. Leonard	Pract Grp Spec	1 hrs @ \$ 220.00 / hr	220.00
C.H. Rosenberg	Partner	9.10 hrs @ \$ 725.00 / hr	6,597.50
N.K. O'Sullivan	Associate	5 hrs @ \$ 350.00 / hr	1,750.00
Total Professional Services			\$12,287.50

INVOICE SUMMARY

Total Fees \$ 12,287.50

TOTAL CURRENT INVOICE DUE \$ 12,287.50

SUMMARY OF TIME BILLED BY TASK:

Task Code	Description	Hours	Amount
4700	Firm's Own Retention Issues	30.60	12,287.50
	Matter Total	30.60	\$12,287.50

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Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: **2056891**
Invoice Date: **10/28/2010**
Client Number: **330015**
Matter Number: **00001**

RE: Chapter 11 Special Insurance Coverage Counsel 7/1/2010 through 7/31/2010

INVOICE SUMMARY

Total Current Fees.....	\$	52,834.50
Total Current Disbursements		<u>516.07</u>
Total Due This Invoice:	\$	<u><u>\$53,350.57</u></u>

Please Remit to:

Mail To:
Reed Smith LLP
2672 Paysphere Circle
Chicago, IL 60674

Wire Instructions:
Bank of America, N.A.
Chicago, IL
ABA Number: 0260-0959-3
Swift Code: BOFAUS3N (International)
Account #5201742490
(Please Reference Invoice Number)



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Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: 2056891
Invoice Date: 10/28/2010
Client Number: 330015
Matter Number: 00001

RE: Chapter 11 Special Insurance Coverage Counsel

DETAIL FOR PROFESSIONAL SERVICES RENDERED THROUGH July 31, 2010

Date	Timekeeper	Description	Task	Hours	Amount
07/06/10	C.H. Rosenberg	Communication with Weil counsel on pre-petition representation in response to U.S. Trustee's questions (.30); communication with E. Witt (conflicts) to respond to Weil's inquiries (.20).	4700	0.50	362.50
07/12/10	C.H. Rosenberg	Communication with M. Solinger on meeting to address claims (.10); communication with counsel for debtors (.10); determined materials needed for meeting on 7/20/10 with counsel in New York (.20); communication with A. Moss regarding meeting (.10).	1300	0.50	362.50
07/13/10	C.H. Rosenberg	Continued review of pleadings for meeting in New York.	1300	0.50	362.50
07/13/10	A.J. Moss	Communications with C. Rosenberg regarding review of coverage-related materials and meeting with client representatives.	1300	0.10	50.00
07/14/10	C.H. Rosenberg	Reviewed bordereaux, complaints in underlying cases, coverage charts (1.00); met with A. Moss to address issues in preparation for 7/20/10 meeting (.30); reviewed proposed list of additional materials needed for	1300	1.80	1,305.00

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Date	Timekeeper	Description	Task	Hours	Amount
		coverage analysis (.10); telephone conference with A. Moss on revisions to list (.20); reviewed and revised list (.10); communication with M. Solinger and M. McGarry regarding additional information requested for review (.10).			
07/14/10	A.J. Moss	Communications with C. Rosenberg (.1); reviewed email from client representatives (.3); reviewed correspondence and coverage charts (.3); reviewed class action complaints (.5); meeting with C. Rosenberg to discuss analysis of issues and strategic planning (.3); analyzed bordereau of claims noticed to carriers (.7); reviewed coverage correspondence (1.3); worked on correspondence to client representatives (1.1); communications with C. Rosenberg regarding same (.2); revised correspondence (.2); reviewed substantive email from C. Rosenberg to client representatives (.1).	1300	5.10	2,550.00
07/14/10	A. Bourke	Review draft billing report and provide feedback on necessary changes for bankruptcy court approval.	4700	0.40	96.00
07/15/10	C.H. Rosenberg	Communication with A. Moss on meeting preparation (.20); reviewed communication from M. Solinger on requested documents (.10); communication with D. Brew (Marsh) regarding documents (.10); reviewed carrier correspondence and securities and ERISA litigation complaints in	1300	2.40	1,740.00

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Date	Timekeeper	Description	Task	Hours	Amount
		preparation for meeting in New York (2.00).			
07/15/10	A.J. Moss	Communications with C. Rosenberg (.2); reviewed coverage correspondence (.4); reviewed substantive email from client representatives (.1).	1300	0.70	350.00
07/15/10	A.J. Moss	Reviewed amended interim compensation order.	4700	0.30	150.00
07/15/10	A. Bourke	Review Amended Compensation Order and communicate with C. Rosenberg regarding the fee application procedures.	4700	1.50	360.00
07/16/10	C.H. Rosenberg	Prepared for meeting 7/20/10 in New York by reviewing additional pleadings and correspondence.	1300	1.00	725.00
07/19/10	C.H. Rosenberg	Reviewed communication with M. Solinger and list of claims prepared by counsel (.30); reviewed primary 2007-08 and 2008-09 policies (1.00); further outlined issues for meeting (.40); communication with A. Moss (.20); reviewed communication from C. Arthur (.10).	1300	2.00	1,450.00
07/19/10	A.J. Moss	Reviewed email messages from client representatives regarding insurance claim documents (.2); communications with C. Rosenberg regarding same (.2).	1300	0.40	200.00
07/20/10	C.H. Rosenberg	Traveled to New York for coverage meeting with M. Solinger and Simpson defense counsel and worked enroute to prepare for meeting (2.00=50% travel time per agreement with client); reviewed coverage chart and litigation charts and key correspondence from carriers	1300	7.80	5,655.00

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Date	Timekeeper	Description	Task	Hours	Amount
		(.50); met with M. Solinger, and Simpson colleagues on litigation background and coverage issues (2.00); follow-up communication with D. Brew (.10); begin review of materials from R. Lusk and B. Pashler, including policies, interim funding agreements and correspondence (1.00); communication with A. Moss on analysis (.20); worked on return flight to Chicago to organize projects, analyze immediate issues and outline issues for further call with D. Brew (Marsh) (2.00=50% travel time per agreement with client).			
07/20/10	A.J. Moss	Communications with C. Rosenberg (.1); reviewed primary XL Policies (.4); teleconference with client representatives and C. Rosenberg to discuss claims background and coverage issues (1.5); reviewed email from C. Rosenberg regarding same (.3); reviewed documents from client representatives (.4).	1300	2.70	1,350.00
07/21/10	C.H. Rosenberg	Reviewed interim funding agreements, indemnity letter, policies and correspondence (1.00); communication with A. Moss on 2007-08 and 2008-09 placement issues (.10); telephone conversation with D. Brew on coverage issues (.30); follow-up communication with M. Solinger (.10); organized documents and policies (.30); outlined notes of key issues from document review (.20); communication with M. Hesh on	1300	2.50	1,812.50



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Date	Timekeeper	Description	Task	Hours	Amount
		interim funding agreements (IFA) (.10); communication with M. Solinger on draft IFA for CNA and Lloyds (.10); began to review draft IFAs (.30).			
07/21/10	C.H. Rosenberg	Rviewed bankruptcy court retention approval Order.	4700	0.10	72.50
07/22/10	M.S. Hersh	Reviewed background materials, including emails, court order, policies, motions, information on Lehman bankruptcy relevant to coverage issues (2.3); met with C. Rosenberg regarding background on case, including strategic and coverage issues and interim funding agreements (.9); analyzed and edited draft motion to court reading fees advancement (1.8); reviewed recent emails regarding draft motion (.3).	1300	5.30	3,074.00
07/22/10	C.H. Rosenberg	Reviewed draft comfort motion for excess carriers to advance defense costs (.30); met with M. Hersh to address coverage issues, drafts, analysis needed and next steps (.90); communication with R. Lusk on requested excess policy (.10); reviewed excess policy (.20); communication with A. Moss on developments (.10); communication with M. Solinger on IFA (Interim Funding Agreement) questions and status (.30); communication with Simpson counsel on IFA's for excess carriers (.20); communication with M. Hersh on draft motion and IFA (.30); reviewed previous comfort	1300	4.30	3,117.50



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Date	Timekeeper	Description	Task	Hours	Amount
		motions for XL and Chubb (.30); further revised draft motion for comfort order for Continental and Lloyd's (.50); communication with M. Solinger on draft motion (.20); communication with Simpson counsel on IFA status (.10); communication with M. Hersh on exhibits to draft motion (.10); communication with Simpson counsel on Booth action (.10); Reviewed A. Moss's revisions to draft motion (.20); communication with M. Hersh on additional coverage considerations (.20); reviewed draft CNA Interim Funding Agreement (.10).			
07/22/10	A.J. Moss	Reviewed and responded to communications from C. Rosenberg and M. Hersh regarding comfort motion with respect to CNA and Lloyd's (.4); worked on comments and revisions to comfort motion (1.5); further communications with C. Rosenberg and M. Hersh regarding same (.2).	1300	2.10	1,050.00
07/23/10	M.S. Hersh	Finalized revisions to motion regarding advancement (1.10); reviewed recent emails and voicemails regarding various subjects, including Booth arbitration (.50); reviewed Booth complaint (.80)	1300	2.40	1,392.00
07/23/10	C.H. Rosenberg	Reviewed A. Moss's comments on draft comfort motion (.20); reviewed M. Solinger's comments on defense invoices and funding agreements (.10); communication with M. Hersh regarding drafting	1300	2.30	1,667.50



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Date	Timekeeper	Description	Task	Hours	Amount
		finalized red-lined and clean versions of motion (.30); communication with M. Solinger on drafts (.10); communication with D. Brew on Booth litigation (.10); reviewed materials relating to Booth (.30); communication with T. Fishman on Booth (.20); reviewed M. Solinger's comments on draft motion (.10); reviewed communication on HCC and comfort order (.20); reviewed M. Hersh's analysis of coverage issues (.30); communication with M. Solinger on Booth arbitrators (.10); reviewed additional materials for conference call on 7/27/10 (.30).			
07/23/10	A.J. Moss	Communications with C. Rosenberg and M. Hersh regarding coverage issues with respect to arbitration of Booth claim (.3); reviewed email from defense counsel regarding interim funding agreements (.1); communications with C. Rosenberg and M. Hersh regarding substantive comments on comfort motion with respect to CNA and Lloyd's (.3); reviewed comments from defense counsel regarding comfort motion (.1); reviewed substantive communications from client representatives regarding same (.3).	1300	1.10	550.00
07/23/10	A. Bourke	Communicate with Carolyn Rosenberg regarding analysis of procedure for submitting monthly statements and fee applications.	4600	0.20	48.00
07/24/10	M.S. Hersh	Exchanged and reviewed emails	1300	0.20	116.00



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Date	Timekeeper	Description	Task	Hours	Amount
		regarding draft motion to court.			
07/24/10	C.H. Rosenberg	Reviewed B. Smith's (CNA) comments on draft comfort order motion (.10); communication with M. Solinger on developments (.10); communication with M. Hersh on draft motion and additional carrier inclusion (.10); communication with M. Solinger and S. Singh on HCC and revisions to draft comfort motion (.10).	1300	0.40	290.00
07/24/10	A.J. Moss	Reviewed substantive communications from client representatives and bankruptcy counsel regarding comfort motions for advancement from excess carriers.	1300	0.30	150.00
07/25/10	C.H. Rosenberg	Communication with bankruptcy counsel on revised comfort motion.	1300	0.10	72.50
07/25/10	A.J. Moss	Reviewed substantive communications from client representatives and bankruptcy counsel regarding comfort motions for advancement to former officers from excess insurers.	1300	0.10	50.00
07/26/10	M.S. Hersh	Reviewed emails and voicemails on Booth arbitration and motion regarding advancement (.2); revised draft motion regarding advancement of fees (.9); reviewed excess policies (.3); continued review of Booth arbitration claim (.2); reviewed other underlying claim complaints (.4); met with A. Moss regarding Booth issues to prepare for telephone conference with	1300	2.50	1,450.00



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Date	Timekeeper	Description	Task	Hours	Amount
		defense counsel (.3); analyzed Booth strategic issues (.2).			
07/26/10	C.H. Rosenberg	Reviewed Booth claim materials (.50); communication with A. Moss regarding coverage under various policies (.20); communication with S. Singh on comfort motion (.10); telephone conference with D. Brew on policy request (.10); communication with M. Solinger on proposed call and status with T. Fishman (.10); reviewed D. Brew's information on Booth (.10); reviewed communication with S. Singh on HCC and revised draft (.30); communication with M. Solinger on draft motion (.10); communication with M. Hersh on draft motion (.20); reviewed M. Hersh's communication on preparation and questions for conference call with T. Fishman (.10).	1300	1.80	1,305.00
07/26/10	A.J. Moss	Communications with C. Rosenberg (.2); telephone call to R. Brew (Marsh) (.1); reviewed and analyzed claim documents from client (1.5); reviewed communications from S. Singh (.2); communications with M. Hersh regarding comfort motion (.2); reviewed email from D. Brew regarding HCC (.1); reviewed comments on comfort motion from S. Singh (.1); reviewed and analyzed Booth claim materials (.8); meeting with M. Hersh to discuss same (.2); further communications with C.	1300	3.70	1,850.00

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Date	Timekeeper	Description	Task	Hours	Amount
		Rosenberg and M. Hersh regarding coverage issues (.2); communications with D. Brew (.1).			
07/26/10	A. Bourke	Communicate with C. Rosenberg regarding procedures for applying for professional fee compensation.	4700	0.10	24.00
07/27/10	M.S. Hersh	Continued review of file, including underlying complaints and correspondence (1.1); exchange of emails regarding motion to court on fees advancement and strategy regarding Booth arbitration (.3); prepared for telephone conference with defense counsel regarding Booth arbitration (.3); telephone conference with defense counsel regarding Booth arbitration (1.0); telephone conference with client (.1).	1300	2.80	1,624.00
07/27/10	C.H. Rosenberg	Reviewed S. Singh's communication on HCC's comments on draft motion for comfort order (.10); communication with M. Hersh and M. Solinger on draft comfort motion (.30); reviewed revised draft motion (.20); communication with M. Hersh on draft revisions (.20); prepared for conference call with Fuld's counsel and M. Solinger on Booth arbitration (.30); telephone conference with M. Hersh regarding Booth (.10); conference call with R. Fuld's defense counsel at Allen & Ovary, M. Hersh and M. Solinger (1.00); follow-up conference call with M. Solinger and M. Hersh	1300	2.60	1,885.00



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Date	Timekeeper	Description	Task	Hours	Amount
		(.20); communication with M. Hersh on obtaining additional policies (.10); follow-up communication with D. Brew and M. Hersh (.10).			
07/27/10	A.J. Moss	Communications with C. Rosenberg and M. Hersh regarding investment management insurance materials and Booth litigation (.4); analyzed Booth statement of claim (1.1); analyzed ARS-related coverage correspondence (.3); analyzed securities litigation-related coverage correspondence (.8); communications with M. Hersh regarding Booth matter (.2).	1300	2.80	1,400.00
07/28/10	M.S. Hersh	Reviewed communications regarding coverage for Booth claim (.2); reviewed final motion to court regarding fee advancement by excess insurers (.2); reviewed primary D&O and E&O policies (.6); analyzed coverage issues for Booth claim (.7); reviewed summary of examiners report (1.1); reviewed and analyzed underlying complaints (1.3).	1300	4.10	2,378.00
07/28/10	C.H. Rosenberg	Reviewed additional policy from R. Lusk (.30); communication with M. Hersh on Booth (.10); reviewed communication from T. Fishman on status update (.10); communication with M. Hersh and M. Solinger on meetings to address coverage issues (.20); communication with M. Hersh on analysis and coverage issues (.20); reviewed communication from B. Smith (CNA) (.10);	1300	1.10	797.50



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Date	Timekeeper	Description	Task	Hours	Amount
		communication with M. Hersh on preparation for conference calls 7/29/10 with defense counsel and carriers (.10).			
07/29/10	M.S. Hersh	Prepared for telephone conferences regarding Booth claim (.2); reviewed information regarding underlying litigation (.7); analyzed strategic and coverage issues regarding Booth case (.2); telephone conference with defense counsel and client to prepare for telephone conference with carriers regarding Booth (.8); met with A. Moss regarding analysis of coverage issues regarding Booth and analysis of "relatedness" between various claims (.4); exchanged emails with client and defense counsel regarding Booth arbitration (.2); telephone conference with defense counsel, client and carriers regarding mediation of Booth claim (.6).	1300	3.10	1,798.00
07/29/10	C.H. Rosenberg	Reviewed communication from B. Smith (CNA) on excess carriers for Booth calls (.20); communication with D. Brew regarding excess carriers (.20); communication with M. Hersh on policies potentially applicable to Booth claim (.20); participated in conference call with D. Brew and Fuld's defense counsel, M. Hersh regarding developments and next steps (.80); communication with M. Hersh on carrier participation in call (.10); communication with M. Hersh on results of call with carriers and next steps (.10);	1300	1.80	1,305.00

ReedSmith

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Date	Timekeeper	Description	Task	Hours	Amount
		communication with M. Solinger on Booth claim (.10); reviewed communication from counsel on mediation dates (.10).			
07/29/10	A.J. Moss	Communications with C. Rosenberg and M. Hersh regarding Booth coverage issues (.2); meeting with M. Hersh (.4); teleconference with client representatives, R. Fuld counsel and Marsh representatives regarding Booth claim (.7); reviewed and analyzed AIG investment management liability policy (2.3); communications with M. Hersh regarding same (.1); teleconference with client representatives, R. Fuld counsel and counsel for CNA, Lloyd's, HCC and Chubb (.8); communications with M. Hersh (.2); reviewed consolidated securities and ERISA class action pleadings and insurance claim documents(.5); reviewed examiner's report regarding potential accounting issues and potential claims against directors and officers (1.5).	1300	6.70	3,350.00
07/30/10	M.S. Hersh	Worked on strategic planning and analysis memoranda (.8); reviewed additional parts of examiner report (1.3); exchanged emails with colleagues regarding strategic planning (.3).	1300	2.40	1,392.00
07/30/10	C.H. Rosenberg	Communications with M. Hersh regarding strategic planning and analysis (.10); revised and supplemented list of coverage projects (.10).	1300	0.20	145.00



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Date	Timekeeper	Description	Task	Hours	Amount
07/30/10	A.J. Moss	Communications with M. Hersh (.1); reviewed and analyzed New Jersey Carpenters complaint (.4); reviewed and analyzed consolidated securities class action complaint (.4); reviewed coverage correspondence from Lloyd's (.2); reviewed and analyzed primary XL policies (1.0).	1300	2.10	1,050.00
07/31/10	A.J. Moss	Reviewed and analyzed 2007-08 XL Primary Policy and excess policies.	1300	1.10	550.00
Total Fees				88.00	\$52,834.50

SUMMARY OF PROFESSIONAL SERVICES:

Timekeeper	Title		Total
A. Bourke	Associate	2.20 hrs @ \$ 240.00 / hr	528.00
A.J. Moss	Partner	29.30 hrs @ \$ 500.00 / hr	14,650.00
C.H. Rosenberg	Partner	33.70 hrs @ \$ 725.00 / hr	24,432.50
M.S. Hersh	Partner	22.80 hrs @ \$ 580.00 / hr	13,224.00



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Total Professional Services

\$52,834.50

DISBURSEMENTS (COSTS ADVANCED AND EXPENSES INCURRED)

Date	Description	Amount
07/31/2010	PACER	9.84
07/20/2010	Taxi Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - From client offices to LGA	32.00
07/20/2010	Taxi Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - shuttle from Highland Park, IL to ORD.	85.00
07/20/2010	Taxi Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - shuttle from ORD to Highland Park, IL.	65.00
07/20/2010	Taxi Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - from LGA to client	36.00
07/20/2010	Meal Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - breakfast at ORD	2.89
07/20/2010	Meal Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with client representatives - breakfast at ORD	6.72
07/29/2010	Air Travel Expense VENDOR: Carolyn H. Rosenberg, Jul 20, 2010 Travel to New York to meet with M. Solinger and defense counsel for coverage meeting.	270.40
07/29/2010	Telephone - Outside Outside Global Crossing Inv No: 9032839550 - HERSH, MARK	8.22

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Date	Description	Amount
	Current Costs and Expenses	\$516.07

INVOICE SUMMARY

Total Fees	\$ 52,834.50
Disbursements	\$ <u>516.07</u>
TOTAL CURRENT INVOICE DUE	\$ <u>53,350.57</u>

SUMMARY OF TIME BILLED BY TASK:

Task Code	Description	Hours	Amount
1300	Insurance Issues	84.90	51,721.50
4600	Firm's Own Billing/Fee Applications	0.20	48.00
4700	Firm's Own Retention Issues	2.90	1,065.00
	Matter Total	88.00	\$52,834.50

pzdatter

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Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: **2056898**
Invoice Date: **10/28/2010**
Client Number: **330015**
Matter Number: **00001**

RE: Chapter 11 Special Insurance Coverage Counsel 8/1/2010 through 8/31/2010

INVOICE SUMMARY

Total Current Fees	\$	71,200.50
Total Current Disbursements		<u>1,357.09</u>
Total Due This Invoice:	\$	<u><u>\$72,557.59</u></u>

Please Remit to:

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2672 Paysphere Circle
Chicago, IL 60674

Wire Instructions:
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Lehman Brothers Holdings Inc.
1271 Avenue of the Americas, 38th Floor
New York, NY 10020

Invoice Number: **2056898**
Invoice Date: **10/28/2010**
Client Number: **330015**
Matter Number: **00001**

RE: Chapter 11 Special Insurance Coverage Counsel

DETAIL FOR PROFESSIONAL SERVICES RENDERED THROUGH August 31, 2010

Date	Timekeeper	Description	Task	Hours	Amount
08/01/10	A.J. Moss	Continued review and analysis of 2007-08 XL Primary Policy and excess policies.	1300	0.70	350.00
08/02/10	C.H. Rosenberg	Communication with A. Moss on supplemental contact and service list for carrier communications.	1300	0.10	72.50
08/02/10	A.J. Moss	Reviewed and analyzed HCC, Lloyd's, ACE Bermuda and Arch excess D&O policies.	1300	1.40	700.00
08/02/10	A.J. Moss	Reviewed and analyzed fee application procedures and memoranda.	4600	0.50	250.00
08/03/10	M.S. Hersh	Reviewed substantive emails regarding Booth mediation.	1300	0.10	58.00
08/03/10	M.S. Hersh	Worked on fee application issues.	1300	0.50	290.00
08/03/10	M.S. Hersh	Met with colleagues to analyze insurance coverage strategy.	4600	0.50	290.00
08/03/10	M.S. Hersh	Reviewed email regarding telephone conference with U.S. trustee's representative.	4600	0.10	58.00
08/03/10	C.H. Rosenberg	Reviewed fee committee guidelines and orders and teleconferences with A. Rivera (.50); worked on fee application information (.30).	4600	0.80	580.00
08/03/10	C.H.	Reviewed communication from T.	1300	1.30	942.50



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Date	Timekeeper	Description	Task	Hours	Amount
	Rosenberg	Fishman on potential mediation in Booth Foundation claim (.10); communication with M. Hersh on strategy (.10); reviewed carrier's inquiry on potential mediators affiliations (.10); communication with D. Brew (Marsh) on requested correspondence and materials (.10); reviewed communication from M. Solinger on potential mediators and mediation (.10); reviewed communication to and from HCC counsel, B. Smith, on mediation cost-sharing and mediators (.20); reviewed communication from P. Hynes on Booth (.10); analyzed Booth coverage issues and applicable coverage and strategy (.50).			
08/03/10	A.J. Moss	Meeting with C. Rosenberg and M. Hersh to discuss coverage issues and strategic planning with respect to insurance recovery (.5); communications with D. Brew (Marsh) regarding policies and coverage correspondence (.1); reviewed, analyzed and compared primary XL policies for consecutive policy periods (1.4).	1300	2.00	1,000.00
08/03/10	A.J. Moss	Meeting with C. Rosenberg and M. Hersh to discuss interim compensation issues (.3); teleconference with U.S. Trustee representative and C. Rosenberg (.3).	4600	0.60	300.00
08/03/10	A.J. Moss	Reviewed and analyzed Fee Committee filings in bankruptcy litigation.	4600	0.50	250.00
08/04/10	M.S. Hersh	Reviewed emails regarding Booth	1300	0.30	174.00



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Date	Timekeeper	Description	Task	Hours	Amount
		mediation.			
08/04/10	M.S. Hersh	Prepared for telephone conference with broker, D. Brew.	1300	0.30	174.00
08/04/10	M.S. Hersh	Telephone conference with broker.	1300	0.50	290.00
08/04/10	C.H. Rosenberg	Communication with T. Fishman and M. Solinger on mediator, mediation dates and logistics in Booth Foundation Claim (.20); conference with M. Hersh to outline issues and questions for call with D. Brew (.20); conference call with D. Brew on, coverage, coverage correspondence and strategy (.50); telephone conference with M. Solinger on Booth and additional coverage issues (.10); telephone conference with D. Brew regarding Booth developments (.10); reviewed Lloyd's communication to Simpson on defense invoices (.10).	1300	1.20	870.00
08/04/10	A.J. Moss	Teleconference with D. Brew (Marsh), C. Rosenberg and M. Hersh to discuss insurer notice and coverage positions (.5); communications with C. Rosenberg and M. Hersh regarding same (.2); reviewed and analyzed AIG investment management liability policy (.3); teleconference with M. Solinger and C. Rosenberg to discuss insurance recovery issues (.2).	1300	1.20	600.00
08/09/10	M.S. Hersh	Exchanged emails with colleagues regarding Claim status and insurance recovery	1300	0.10	58.00



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Date	Timekeeper	Description	Task	Hours	Amount
		strategy.			
08/09/10	M.S. Hersh	Telephone call from defense counsel.	1300	0.10	58.00
08/09/10	C.H. Rosenberg	Communications with T. Fishman on September 20th mediation in Booth.	1300	0.10	72.50
08/09/10	C.H. Rosenberg	Telephone conference with Simpson Thatcher colleagues on carrier logistics issues.	1300	0.10	72.50
08/09/10	C.H. Rosenberg	Telephone conference with D. Brew on requested correspondence.	1300	0.10	72.50
08/09/10	C.H. Rosenberg	Communications with M. Hersh on insurer representatives, conference call strategy and open issues.	1300	0.10	72.50
08/09/10	C.H. Rosenberg	Communications with A. Moss on underlying case complaints.	1300	0.10	72.50
08/09/10	A.J. Moss	Reviewed and analyzed various underlying complaints against Insured Persons for coverage analysis purposes.	1300	1.30	650.00
08/10/10	M.S. Hersh	Reviewed recent emails regarding status of underlying claims and strategy.	1300	0.20	116.00
08/10/10	M.S. Hersh	Met with C. Rosenberg regarding strategy for carrier meeting regarding potential global mediation (.30); worked on coverage strategy and communication with A. Moss (.40).	1300	0.70	406.00
08/10/10	M.S. Hersh	Reviewed draft interim funding agreement.	1300	0.20	116.00
08/10/10	C.H. Rosenberg	Communications with D. Brew (Marsh) on requested materials.	1300	0.10	72.50



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Date	Timekeeper	Description	Task	Hours	Amount
08/10/10	C.H. Rosenberg	Communications with M. Solinger, S. Singh and G. Fail on revised retention stipulation (.20); analysis of policy tower coverage issues (.30).	1300	0.50	362.50
08/10/10	C.H. Rosenberg	Telephone conference with B. Pashler regarding coverage correspondence needed for conference call with M. Solinger.	1300	0.20	145.00
08/10/10	C.H. Rosenberg	Review follow up communications from B. Pashler.	1300	0.10	72.50
08/10/10	C.H. Rosenberg	Meeting with M. Hersh to address potential global mediation initiative.	1300	0.30	217.50
08/10/10	C.H. Rosenberg	Review B. Pashler's and XL's communications on payments of defense invoices and request for bills.	1300	0.10	72.50
08/10/10	C.H. Rosenberg	Review Continental Casualty's comments on interim funding agreement.	1300	0.30	217.50
08/10/10	C.H. Rosenberg	Communications with B. Pashler regarding carrier comments.	1300	0.10	72.50
08/10/10	C.H. Rosenberg	Review XL's July 22, 2010 and August 4, 2010 communications on Fried claim invoices and B. Pashler's related communication.	1300	0.30	217.50
08/10/10	C.H. Rosenberg	Conference with M. Hersh on replies on Interim Funding.	1300	0.20	145.00
08/10/10	C.H. Rosenberg	Communications with M. Hersh on Fried claim coverage.	1300	0.20	145.00
08/10/10	C.H. Rosenberg	Communications with C. Arthur on revised stipulation for retention.	4700	0.20	145.00
08/10/10	A.J. Moss	Reviewed coverage correspondence from XL	1300	1.30	650.00



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Date	Timekeeper	Description	Task	Hours	Amount
		regarding Fried matter (.2); meeting with C. Rosenberg and M. Hersh to discuss analysis of substantive coverage issues and strategic planning (.3); reviewed research and analysis on relation- back issues under New York law (.5); communications with M. Hersh regarding same (.3).			
08/10/10	A.J. Moss	Reviewed email from bankruptcy counsel regarding retained professional stipulation.	4700	0.10	50.00
08/11/10	M.S. Hersh	Worked on revisions to interim funding agreement.	1300	1.20	696.00
08/11/10	M.S. Hersh	Reviewed recent correspondence.	1300	0.20	116.00
08/11/10	M.S. Hersh	Drafted email to colleagues regarding same.	1300	0.10	58.00
08/11/10	C.H. Rosenberg	Work on Continental Casualty interim funding agreement revisions and responses.	1300	0.30	217.50
08/11/10	C.H. Rosenberg	Communications with A. Moss on revised stipulation nun pro tunc.	4700	0.10	72.50
08/11/10	A.J. Moss	Reviewed comments on proposed interim funding agreement from CNA (.3); communications with client representatives and Debtors counsel regarding same (.2); reviewed, analyzed and worked on substantive comments and response to proposed interim funding agreement with CNA (1.5); reviewed primary D&O policies (.4); communications with C. Rosenberg and M. Hersh regarding same (.2).	1300	2.60	1,300.00
08/11/10	A.J. Moss	Communications with C.	4700	1.80	900.00



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Date	Timekeeper	Description	Task	Hours	Amount
		Rosenberg regarding retained professional stipulation (.2); worked on retained professional stipulation (1.5); communications with C. Rosenberg regarding same (.1).			
08/12/10	M.S. Hersh	Reviewed emails from colleagues on various substantive coverage issues.	1300	0.20	116.00
08/12/10	M.S. Hersh	Reviewed and analyzed "relatedness" law.	1300	0.20	116.00
08/12/10	M.S. Hersh	Analyzed strategic and legal issues to prepare for telephone conference with client.	1300	0.20	116.00
08/12/10	M.S. Hersh	Reviewed claims bordereaux	1300	0.20	116.00
08/12/10	M.S. Hersh	Reviewed policy relatedness provisions.	1300	0.40	232.00
08/12/10	C.H. Rosenberg	Communications with B. Pashler on CD of requested coverage documents.	1300	0.10	72.50
08/12/10	C.H. Rosenberg	Communications with M. Hersh on D. Brew's considerations and items to pursue for follow up call with M. Solinger and defense counsel.	1300	0.30	217.50
08/12/10	C.H. Rosenberg	Telephone conference with D. Brew on coverage and potential mediation issues.	1300	0.50	362.50
08/12/10	C.H. Rosenberg	Review supplemental red-lined changes to CNA interim funding agreement.	1300	0.10	72.50
08/12/10	C.H. Rosenberg	Review B. Pashler's further comments on CNA's revisions to interim funding agreement.	1300	0.10	72.50
08/12/10	C.H. Rosenberg	Communications with A. Moss on analysis and preparation for	1300	0.10	72.50



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Date	Timekeeper	Description	Task	Hours	Amount
		conference call with M. Solinger and defense counsel.			
08/12/10	A.J. Moss	Worked on substantive comments and proposed revisions to interim funding agreement with CNA (.8); communications with M. Solinger regarding interim funding agreement with CNA (.2); telephone call with B. Pashler regarding interim funding agreement with CNA (.2); reviewed primary D&O policies (.4); worked on coverage analysis (1.5); reviewed and analyzed CD containing voluminous sets of coverage-related correspondence received from defense counsel and broker representatives (3.8).	1300	6.90	3,450.00
08/13/10	M.S. Hersh	Reviewed various emails regarding status and strategy.	1300	0.10	58.00
08/13/10	M.S. Hersh	Telephone conference with broker regarding logistics for carrier meeting.	1300	0.30	174.00
08/13/10	M.S. Hersh	Revised list of action items.	1300	0.10	58.00
08/13/10	M.S. Hersh	Met with colleagues regarding strategy task list.	1300	0.30	174.00
08/13/10	M.S. Hersh	Reviewed underlying litigation claim materials.	1300	0.40	232.00
08/13/10	M.S. Hersh	Telephone conference with client and Simpson Thacher.	1300	0.80	464.00
08/13/10	M.S. Hersh	Prepared for and met with A. Moss to discuss coverage analysis.	1300	1.00	580.00
08/13/10	M.S. Hersh	Prepared for telephone conference with client and Simpson Thacher regarding	1300	0.80	464.00



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Date	Timekeeper	Description	Task	Hours	Amount
		carrier meeting.			
08/13/10	C.H. Rosenberg	Reviewed A. Moss's summary of DVD of coverage correspondence (.20); analyzed relation-back coverage issues (.30); conference call with Simpson Thacher and M. Solinger to address meeting with carriers on securities claims and potential mediation (.80); reviewed communication from B. Paschler on claims potentially mediating (.30); follow-up conference with M. Hersh on analysis and further complaints, case law and policies needed for review (.30); telephone conference with D. Brew regarding meeting with carriers, correspondence requested and strategy (.30); reviewed policies emailed from D. Brew (.20); communication with Simpson on September carrier meeting and next steps (.10); communication with D. Brew on September meeting (.10); communication with A. Moss on categorization of claims in light of coverage law and analysis (.10); reviewed communication with J. Anne Conway-Gross on policies, files, organization of records and anticipated receipt of files (.10); communication with D. Brew on location and transmittal of coverage-related correspondence and claims materials (.10).	1300	2.90	2,102.50
08/13/10	A.J. Moss	Communications with C. Rosenberg regarding coverage correspondence (.1); continued	1300	5.60	2,800.00

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Date	Timekeeper	Description	Task	Hours	Amount
		review and analysis of CD containing set of substantive coverage-related correspondence received from defense counsel and broker representatives (2.1); meeting with M. Hersh to discuss coverage issues, strategic planning and to prepare for teleconference with M. Solinger and defense counsel (.7); teleconference with M. Solinger, R. Lusk, E. Albert, Simpson Thacher representatives, C. Rosenberg and M. Hersh to discuss status of underlying claims, coverage issues and strategic planning (.8); reviewed summaries of underlying matters received from defense counsel (.3); reviewed and analyzed SASCo complaint (.7); reviewed communications from C. Rosenberg regarding potential meeting with insurance carriers (.1); reviewed research on various coverage issues (.5); meeting with C. Crosier regarding coverage-related legal research (.3).			
08/13/10	A.J. Moss	Reviewed email from C. Arthur regarding professional compensation stipulation (.1); reviewed email from A. Velez-Rivera (U.S. Trustee/SDNY) regarding same (.1).	4600	0.20	100.00
08/13/10	J.A.C. Gross	Conferred with A. Moss regarding scope of file organization and analysis (.3); attended to organization of coverage correspondence on DVD (.40); organized primary and excess	0100	2.00	500.00



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Date	Timekeeper	Description	Task	Hours	Amount
		D&O policies (1.1); worked on organization of file (.20).			
08/13/10	C.M. Crosier	Meeting with A. Moss to discuss research concerning relation-back of claims.	1300	0.30	72.00
08/14/10	C.H. Rosenberg	Communication with M. Solinger on carrier meeting (.20); communication with M. Hersh on carrier meeting agenda and developments (.10).	1300	0.30	217.50
08/15/10	A.J. Moss	Reviewed SASCo action pleadings.	1300	0.70	350.00
08/16/10	M.S. Hersh	Reviewed recent substantive emails regarding coverage.	1300	0.10	58.00
08/16/10	M.S. Hersh	Telephone conference with C. Rosenberg regarding status of underlying claims.	1300	0.10	58.00
08/16/10	M.S. Hersh	Exchanged emails with colleagues regarding carrier meeting.	1300	0.10	58.00
08/16/10	M.S. Hersh	Reviewed memo by Simpson Thacher summarizing status of litigation.	1300	0.40	232.00
08/16/10	C.H. Rosenberg	Reviewed materials from Marsh (.20); communication with A. Moss on contents and priority review of documents (.20); communication with M. Solinger and D. Brew on hosting meeting with carriers (.20); reviewed memo of defense meeting from documents on DVD provided from Simpson (.30).	1300	0.90	652.50
08/16/10	C.H. Rosenberg	Communication with C. Arthur on presentment of motion for nunc pro tunc order on Reed Smith retention.	4600	0.10	72.50



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08/16/10	A.J. Moss	Reviewed and analyzed coverage correspondence (.8); reviewed memorandum summarizing status of underlying litigation (.5); reviewed and analyzed orders in SASCo litigation (.4); communications with M. Hersh regarding same (.2); communications with B. Pashler (.2); communications with J.A. Gross regarding review and organization of hundreds of pages of coverage-related correspondence (.2); communications with C. Crosier regarding coverage issue research (.1).	1300	2.50	1,250.00
08/16/10	A.J. Moss	Reviewed email from C. Arthur regarding stipulation for professional retention (.1); reviewed as-filed stipulation (.1).	4600	0.20	100.00
08/16/10	J.A.C. Gross	Worked on organization of correspondence and claim materials (.40); conferred with A. Moss and IKON regarding printing of correspondence from disk (.30).	1300	0.70	175.00
08/17/10	M.S. Hersh	Reviewed emails regarding plans for carrier meetings (.10); reviewed demand letter (.50); met with J. Gross (paralegal) regarding game plan for organizing complaints and creating spreadsheets (.30); worked on substantive email to colleagues regarding demand letter (.70); reviewed various underlying complaints (.50).	1300	2.10	1,218.00
08/17/10	C.H. Rosenberg	Reviewed demand letter (.30); communication with B. Pashler	1300	2.10	1,522.50



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Date	Timekeeper	Description	Task	Hours	Amount
		on requested complaints (.10); communication with M. Solinger on carrier meeting 9/27/10 in New York (.10); communication with A. Moss on research and analysis of latest complaints (.10); reviewed DVD from Marsh containing complaints and claim files (.50); reviewed summary of documents (.10); communication with A. Moss on DVD and documents reviewed (.10); communication with B. Pashler on documents (.10); communication with D. Brew on 9/29/10 carrier meeting (.10); communication with M. Solinger on carrier meeting (.10); reviewed analysis of correspondence and complaints in preparation for position letter on claims (.50).			
08/17/10	A.J. Moss	Communications with C. Rosenberg (.2); reviewed and analyzed demand letter (.2); reviewed and analyzed primary XL D&O policies with respect to various issues (.2); reviewed and responded to substantive analysis from M. Hersh (.2); communications with C. Rosenberg and M. Hersh regarding same (.3); reviewed CD from defense counsel containing complete set of original and amended complaints in various matters noticed under D&O coverage (1.6); communications with M. Hersh regarding same (.1); communications with J.A. Conway Gross regarding organization of complaints for coverage analysis (.1).	1300	2.90	1,450.00